

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES  
INBOUND PARCEL POST (AT UPU RATES)

Docket No. CP2020-61

**NOTICE OF THE UNITED STATES POSTAL SERVICE OF FILING  
CHANGES IN RATES NOT OF GENERAL APPLICABILITY FOR  
INBOUND PARCEL POST (AT UPU RATES),  
AND APPLICATION FOR NON-PUBLIC TREATMENT**  
(December 10, 2019)

The United States Postal Service (Postal Service) hereby gives notice of a change in rates not of general applicability for its Inbound Parcel Post (at Universal Postal Union (UPU) Rates) product; these rates would take effect January 1, 2020.

The Postal Regulatory Commission (Commission) previously determined that Inbound Air Parcel Post (at UPU Rates) is appropriately classified as a competitive product and that an initial review of the rates indicated compliance with statutory requirements.<sup>1</sup> On August 19, 2014, in PRC Order No. 2160, the Commission determined that Inbound Surface Parcel Post (at UPU Rates) also is appropriately classified as a competitive product and that an initial review of the rates indicated compliance with statutory requirements.<sup>2</sup> As part of the Order No. 2160, Inbound Air Parcel Post (at UPU Rates) and Inbound Surface Parcel Post (at UPU Rates) were merged into a single product identified as Inbound Parcel Post (at UPU Rates).

The Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements,

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<sup>1</sup> PRC Order No. 362, Order Adding Inbound Air Parcel Post at UPU Rates to Competitive Product List, Docket Nos. MC2010-11 and CP2010-11, December 15, 2009, at 8-9.

<sup>2</sup> PRC Order No. 2160, Order Approving Product List Transfer, Docket No. MC2014-28, August 19, 2014, at 8.

Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-published Competitive Rates (Governors' Decision No. 19-1), issued on February 7, 2019, authorized rates for, among other things, "other non-published competitive rates" that are "not of general applicability" and also "that are not embodied in contractual instruments." As in the past, this would include certain rates issued by operation of the Universal Postal Convention.

With this filing, the Postal Service notifies the Commission of changes to the rates for Inbound Parcel Post (at UPU Rates) that are intended to take effect January 1, 2020.<sup>3</sup> This includes the Air Parcel and Surface Parcel rates within the Inbound Parcel Post (at UPU Rates) product. This is the same scenario for which the Commission favorably reviewed rates in effect for the periods beginning January 1, 2017, July 1, 2017, January 1, 2018, July 1, 2018, and January 1, 2019, in PRC Order Nos. 3716, 3985, 4308, 4655, and 4933, respectively.<sup>4</sup>

The rates and supporting documents are being filed separately under seal with the Commission. The Postal Service's Application for Non-public Treatment of those materials is included with this Notice as Attachment 1. A redacted version of UPU International Bureau (IB) Circular No. 154 (dated September 30, 2019), which fixed the

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<sup>3</sup> This filing does not concern the rates for ECOMPRO parcels; the Commission already favorably reviewed the ECOMPRO rates that will take effect on January 1, 2020. See Order Approving Changes in Prices Not of General Applicability for Certain Inbound Parcel Post (at UPU Rates), PRC Order No. 5216, August 29, 2019.

<sup>4</sup> See Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 3716, December 30, 2016; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 3985, June 29, 2017; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 4308, December 28, 2017; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 4655, June 20, 2018; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 4933, December 19, 2018.

new rates that are the subject of this filing, is included as Attachment 2.<sup>5</sup> The new rates appear on page 11 within Annex 1 of Attachment 2. A certification pursuant to 39 C.F.R. § 3015.5(c)(2) is included as Attachment 3. Redacted Postal Service data used by the UPU to justify any bonus payments are included as Attachment 4.<sup>6</sup> A copy of the Postal Service's submission to the UPU in support of an inflation-linked adjustment is included as Attachment 5. A redacted copy of Governors' Decision No. 19-1 is included as Attachment 6. Redacted Excel versions of the supporting financial documentation also accompany this filing.

***I. Explanation of Rates*** -- New UPU Rates for Inbound Parcel Post.

As noted above, Attachment 2 consists of UPU IB Circular No. 154 dated September 30, 2019, by which the UPU established the new rates for Inbound Parcel Post to take effect on January 1, 2020. IB Circular No. 154 sets the new air and surface parcel rates that are included within the merged Inbound Parcel Post (at UPU Rates) product.

***II. Application for Non-Public Treatment***

The Postal Service maintains that certain portions of the Governors' Decision, the new rates, the service feature and bonus data, and related financial information

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<sup>5</sup> The Application in Attachment 1 requests non-public treatment of the Postal Service's inbound rates and its related performance results. In these documents, the UPU also issued the inbound rates for other countries' postal operators and their related performance results. Those other countries' inbound rates and performance results (in Attachment 2) are redacted (even in the non-public versions of this filing) because they are not only sensitive business information of the foreign posts, but they are also irrelevant to this filing concerning the Postal Service's inbound rates.

<sup>6</sup> The original UPU "6-Months Parcels Measurement Report" document includes 67 numbered pages. Attachment 4 to this Notice contains redacted pages displaying the Postal Service's inbound consolidated results and outbound consolidated results used to assess bonuses. Other pages and data not displayed in the attachment consist of other outbound data and non-consolidated data. Likewise, results from other countries' posts are irrelevant to this filing and this docket, and are redacted (even in the non-public version) in Attachment 4.

should remain confidential. The Postal Service provides its Application for Non-Public Treatment of materials filed under seal as Attachment 1.

### ***III. Management Analysis***

In PRC Order No. 2310, the Commission requested that the Postal Service provide an update to the Management Analysis originally in support of the establishment of rates for Inbound Air Parcel Post (at UPU Rates) as originally requested in PRC Order No. 2102. Specifically, the Commission requested in PRC Order No. 2102 (at 6):

data and information concerning the Postal Service's submission of formal documentation to the UPU in support of an inflation-linked adjustment for the inward land rate it receives from other postal administrations and transmission of responses to the UPU survey to justify bonus payments; the date the UPU advises the United States that the inward land rate applicable to its inbound air parcels would be per item plus per kilo special drawing rights (SDRs); the inward land rate calculation for the pertinent year (or period); the SDR equivalent in U.S. dollars; and the estimated cost coverage for the pertinent calendar year.

In response, the Postal Service provides the following with respect to the successor Inbound Parcel Post (at UPU Rates) product:

- The Postal Service is transmitting (within redacted Attachment 4) the data used by the UPU to justify any bonus payments.
- The Postal Service is transmitting (within Attachment 5) the Postal Service's submission to the UPU in support of an inflation-linked adjustment.

- The date that the UPU advised the United States of the Inward Land Rates and the calculation<sup>7</sup> for the pertinent period was September 30, 2019, as shown on page 1 of the UPU IB Circular accompanying this Notice as Attachment 2.
- The SDR conversion rate to U.S. dollars used for the cost coverage analysis was 1 SDR is equal to \$1.37 USD.<sup>8</sup>
- The estimated cost coverage for the pertinent year is available in the attached financial information. That financial information and the attached certification show that the Inbound Parcel Post (at UPU Rates) product should cover its attributable costs, preclude the subsidization of competitive products by market dominant products, and not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

In PRC Order No. 4933, for future filings for prices for Inbound Parcel Post (at UPU Rates), the Commission further directed the Postal Service to provide citations and copies of the relevant IB Circulars and updates to the inflation-linked adjustment. The Postal Service has provided these citations above and has included a copy of the IB Circular as Attachment 2 and the inflation-linked information in Attachment 5.

#### ***IV. Conclusion***

For the reasons discussed above, the Postal Service has established that these new rates for Inbound Parcel Post (at UPU Rates) are in compliance with the requirements of 39 U.S.C. § 3633(a)(2). Accordingly, the Postal Service respectfully

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<sup>7</sup> The Inward Land Rates calculation is performed by the UPU based on data provided by the Postal Service. The UPU's calculation is explained on page 1 of Attachment 2 and the introductory pages of Attachment 4. The results of the calculation are provided on page 11 of Attachment 2.

<sup>8</sup> This conversion rate is based on the publication of the SDR value by the International Monetary Fund (IMF) on November 27, 2019. The conversion rate at the time of settlement may vary based on the IMF value of the SDR at time of settlement.

submits that it has met its burden of providing notice to the Commission of changes in rates for the Inbound Parcel Post (at UPU Rates) product within the scope authorized under Governors' Decision 19-1, as required by 39 U.S.C. § 3632(b)(3), and requests favorable review of these UPU rates that will take effect on January 1, 2020.

Respectfully submitted,

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**APPLICATION OF THE UNITED STATES POSTAL SERVICE  
FOR NON-PUBLIC TREATMENT OF MATERIALS**

In accordance with 39 C.F.R. § 3007, the United States Postal Service (Postal Service) hereby applies for non-public treatment of certain materials filed with the Commission in these dockets. The materials pertain to the establishment of prices and classifications not of general applicability for Inbound Parcel Post (at UPU Rates) established in Governors' Decision 19-1. The rates and supporting documents establishing compliance with 39 U.S.C. §§ 3632-3633 and 39 C.F.R. §§ 3015.5 and 3015.7 are being filed separately under seal with the Commission. Redacted copies of these materials are filed publicly, including redacted versions of supporting financial documentation filed as separate Excel documents.

The Postal Service hereby furnishes the justification required for this application by 39 C.F.R. § 3007.201(b) below.

**(1) The rationale for claiming that the materials are non-public, including the specific statutory basis for the claim, and a statement justifying application of the provision(s);**

The materials designated as non-public consist of information of a commercial nature that under good business practice would not be publicly disclosed. In the Postal Service's view, this information would be exempt from mandatory disclosure pursuant to 39 U.S.C. § 410(c)(2) and 5 U.S.C. § 552(b)(3) and (4).<sup>1</sup> Because the portions of the materials that the Postal Service is filing only under seal fall within the scope of

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<sup>1</sup> In appropriate circumstances, the Commission may determine the appropriate level of confidentiality to be afforded to such information after weighing the nature and extent of the likely commercial injury to the Postal Service against the public interest in maintaining the financial transparency of a government establishment competing in commercial markets. 39 U.S.C. § 504(g)(3)(A). The Commission has indicated that "likely commercial injury" should be construed broadly to encompass other types of injury, such as harms to privacy, deliberative process, or law enforcement interests. PRC Order No. 194, Second Notice of Proposed Rulemaking to Establish a Procedure for According Appropriate Confidentiality, Docket No. RM2008-1, Mar. 20, 2009, at 11.

information not required to be publicly disclosed, the Postal Service asks the Commission to support its determination that these materials are exempt from public disclosure and grant its application for their non-public treatment.

**(2) A statement of whether the submitter, any person other than the submitter, or both have a proprietary interest in the information contained within the nonpublic materials, and the identification(s) specified in paragraphs (b)(2)(i) through (iii) of this section (whichever is applicable). For purposes of this paragraph, identification means the name, phone number, and email address of an individual;<sup>2</sup>**

In the case of the Universal Postal Union (UPU) rates such as those at issue here, the Postal Service believes that the foreign postal operators whose governments are members of the UPU are the only third parties with a proprietary interest in the materials. Due to language and cultural differences as well as the sensitive nature of the Postal Service's rate relationship with the affected foreign postal operators, the Postal Service proposes that a designated Postal Service employee serve as the point of contact for any notices to the relevant postal operators. The Postal Service identifies as an appropriate contact person Peter Chandler, Manager, UPU Relations, International Postal Affairs. Mr. Chandler's phone number is (202) 268-5549, and his email address is [peter.r.chandler@usps.gov](mailto:peter.r.chandler@usps.gov).

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<sup>2</sup> Section 3007.201(b)(2) further states the following:

(i) If the submitter has a proprietary interest in the information contained within the materials, identification of an individual designated by the submitter to accept actual notice of a motion related to the non-public materials or notice of the pendency of a subpoena or order requiring production of the materials.

(ii) If any person other than the submitter has a proprietary interest in the information contained within the materials, identification of each person who is known to have a proprietary interest in the information. If such an identification is sensitive or impracticable, an explanation shall be provided along with the identification of an individual designated by the submitter to provide notice to each affected person.

(iii) If both the submitter and any person other than the submitter have a proprietary interest in the information contained within the non-public materials, identification in accordance with both paragraphs (b)(2)(i) and (ii) of this section shall be provided. The submitter may designate the same individual to fulfill the requirements of paragraphs (b)(2)(i) and (ii) of this section.



The Postal Service provided notice to all foreign postal operators within the Universal Postal Union network through International Bureau Circular No. 200 issued on December 9, 2019, that the Postal Service will be regularly submitting certain business information to the Commission. The Circular includes information on how third parties may address any confidentiality concerns with the Commission. In addition, contact information for all UPU Designated Operators is available at the following link, which is incorporated by reference into the instant application:

[http://pls.upu.int/pls/ap/addr\\_public.display\\_addr?p\\_language=AN](http://pls.upu.int/pls/ap/addr_public.display_addr?p_language=AN).<sup>3</sup>

**(3) A description of the materials claimed to be non-public in a manner that, without revealing the materials at issue, would allow a person to thoroughly evaluate the basis for the claim that they are non-public;**

In connection with its Notice filed in these dockets, the Postal Service included its new rates, Governors' Decision No. 19-1, data on service features justifying its rate bonuses, and supporting documentation in the form of financial work papers. These materials were filed under seal, with redacted copies filed publicly.<sup>4</sup> The Postal Service maintains that the redacted portions of the rate charts, data supporting bonuses and adjustments, and related financial information should remain confidential.

The redactions applied to the rate charts, bonus data, and related financial work papers protect commercially sensitive information such as rates, underlying costs and assumptions, performance data, pricing formulas, and cost coverage projections. To

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<sup>3</sup> To the extent required, the Postal Service seeks a waiver from having to provide each foreign postal operator notice of these dockets. It is impractical to communicate with dozens of operators in multiple languages about this matter. Moreover, the volume of filings would overwhelm both the Postal Service and the applicable foreign postal operators with boilerplate notices.

<sup>4</sup> The non-public version of Attachments 2 & 4 maintain redactions for data with respect to countries other than the United States; the rate and performance data for other countries are not relevant in this docket.

the extent practicable, the Postal Service has limited its redactions to the actual information it has determined to be exempt from disclosure under 5 U.S.C. § 552(b).

**(4) Particular identification of the nature and extent of commercial harm alleged and the likelihood of such harm;**

If the portions of the rate charts, service performance bonus and rate adjustment data, Governors' Decision No. 19-1, and related financial work papers that the Postal Service determined to be protected from disclosure due to their commercially sensitive nature were to be disclosed publicly, the Postal Service considers that it is quite likely that it would suffer commercial harm. Information about pricing and service performance is commercially sensitive, and the Postal Service does not believe that it would be disclosed under good business practices. Competitors could use the information to assess the rates charged by the Postal Service to foreign postal operators for any possible comparative vulnerabilities and focus sales and marketing efforts on those areas, to the detriment of the Postal Service. The Postal Service considers this to be a highly probable outcome that would result from public disclosure of the redacted material.

The financial work papers include specific information such as costs, projections of variables, and cost coverage. All of this information is highly confidential in the business world. If this information were made public, the Postal Service's competitors would have the advantage of being able to assess the Postal Service costs and pricing. Thus, competitors would be able to take advantage of the information to offer lower pricing to customers (which can include foreign posts, which are not required to use the Postal Service for delivery of parcels destined to the United States), while subsidizing any losses with profits from other customers. Eventually, this could freeze the Postal

Service out of the relevant inbound delivery services market. Additionally, foreign postal operators or other potential customers could use costing information to their advantage in negotiating the terms of their own agreements with the Postal Service. Given that these spreadsheets are filed in their native format, the Postal Service's assessment is that the likelihood that the information would be used in this way is great.

Potential customers (which can include foreign posts) could also deduce from the rates provided in the work papers whether additional margin for net profit exists. From this information, each foreign postal operator or customer could attempt to negotiate ever-decreasing prices, such that the Postal Service's ability to negotiate competitive yet financially sound rates would be compromised.

Competitors could also exploit the non-public service performance and rate adjustment data. Such information is commercially sensitive, as it may reveal the relative strengths and weaknesses of the Postal Service. Competitors would gain a competitive advantage that the Postal Service lacks, as it would not have access to the same type of data of those competitors.

Volume and price information included in the financial spreadsheets and in the UPU International Bureau Circular also consist of sensitive commercial information of foreign postal operators. Disclosure of such information could be used by competitors of a postal operator to assess the operator's underlying market size and its costs, and thereby develop a benchmark for the development of a competitive alternative.

**(5) At least one specific hypothetical, illustrative example of each alleged harm;**

Harm: Public disclosure of information in the rate charts, Governors' Decision No. 19-1, or financial work papers would be used by competitors and customers to the detriment of the Postal Service.

Hypothetical: A competing package delivery service obtains a copy of the unredacted version of the rate charts, formulas, and financial work papers from the Postal Regulatory Commission's website. It analyzes the data to determine what the Postal Service would have to charge its customers (which may include foreign posts) in order for the Postal Service to meet its minimum statutory obligations for cost coverage and contribution to institutional costs. The competing package delivery service then sets its own rates for products similar to what the Postal Service offers other posts under that threshold and markets its ability to guarantee to beat the Postal Service on price for inbound air parcels. By sustaining this below-market strategy for a relatively short period of time, the competitor, or all of the Postal Service's competitors acting in a likewise fashion, would freeze the Postal Service out of the inbound air parcel delivery market.

Harm: Public disclosure of information in the rate charts or financial work papers would be used by a foreign postal operator's competitors to its detriment.

Hypothetical: A competing international delivery service obtains a copy of the unredacted version of the financial work papers from the Postal Regulatory Commission's website. The competitor analyzes the work papers to assess a foreign postal operator's underlying costs and volumes for the corresponding products. The competitor uses that information to assess the market potential and negotiate with U.S. customs brokers and freight companies to develop lower-cost alternatives.

Harm: Public disclosure of the data pertaining to the Postal Service's service performance bonuses and rate adjustments could be used by its competitors to its competitive detriment.

Hypothetical: A competing international delivery service obtains a copy of the unredacted version of the service performance data from the Postal Regulatory Commission's website. The competitor passes this information along to its sales and marketing functions. The competitor then uses this performance information to develop plans to compete more effectively against the Postal Service and/or to develop comparative advertising and marketing.

**(6) The extent of protection from public disclosure deemed to be necessary;**

The Postal Service maintains that the redacted portions of the materials filed non-publicly should be withheld from persons involved in competitive decision-making in the relevant market for inbound parcel delivery (including both private sector integrators and foreign postal operators), as well as their consultants and attorneys. Additionally, the Postal Service believes that foreign postal operators, as well as actual or potential customers of a postal operator for this or similar products should not be provided access to the non-public financial work papers.

**(7) The length of time deemed necessary for the non-public materials to be protected from public disclosure with justification thereof; and**

The Commission's regulations provide that non-public materials shall lose non-public status ten years after the date of filing with the Commission, unless otherwise provided by the Commission. 39 C.F.R. § 3007.401(a). However, because the Postal Service's relationships with customers often continue beyond ten years or decades, the Postal Service intends to oppose requests for disclosure of these materials pursuant to 39 C.F.R. § 3007.401(b-c).

**(8) Any other factors or reasons relevant to support the application.**

UPU inward land rates and UPU service performance data are not available publicly. Rather, they are circulated to postal operators and government ministries through UPU International Bureau Circulars and accessible on a password-protected website, and they are considered by postal operators to be commercially sensitive.



Dear Sir/Madam,

The purpose of this circular is to inform designated operators of the inward land rates (ILRs) applicable from 1 January 2020 until 30 June 2020. You will find the list of ILRs in Annex 1. These ILRs are based on the validation of parcel service features as prescribed in articles 32-201 and 32-202 of the Convention Regulations, and Postal Operations Council resolution CEP 10/2016.1.

The 2020 ILRs are based on the number of service features provided by designated operators (DOs), the achievement of performance targets, where relevant, and any requests for inflation adjustments submitted by DOs in accordance with the conditions stipulated in article 32-202 of the Convention Regulations, as verified by the International Bureau.

DOs are reminded that the prerequisites for eligibility to receive bonus payments based on service features provided (see resolution CEP 10/2016.1) are as follows:

- compliance with the provisions in article 22 of the Convention relating to mandatory acceptance of liability for lost, rifled and damaged parcels;
- provision to the International Bureau of a sample of the UPU standard S10 item identifier;
- compliance with the rule on mandatory use of the UPU standard S10 item identifier as defined in article 17-215.1 of the Convention Regulations;
- compliance with the condition of having an entry in the Parcel Post Compendium Online.

A DO that does not meet all prerequisites will therefore receive only its base inward land rate (i.e. 71.4% of its 2004 inward land rates), plus any inflation-linked adjustment. The bonuses associated with the provision of parcel service features by individual DOs are outlined in Annex 2.

Any queries regarding the content of this circular should be sent to the Remuneration Governance, Development and Integration Programme, for the attention of Mr Philippe Grondein, Remuneration Implementation Expert, at [philippe.grondein@upu.int](mailto:philippe.grondein@upu.int).

Yours faithfully,

Siva Somasundram  
Director of Policy, Regulation and Markets



**Complete list of inward land rates effective from 1 January 2020**

ISO	Designated operator	Rate per parcel (SDR)	Rate per kg (SDR)
AF	Afghanistan – Surface parcels – Air parcels		
AL	Albania		
DZ	Algeria		
AO	Angola		
AG	Antigua and Barbuda		
AR	Argentina – Surface parcels – Air parcels		
AM	Armenia		
AW	Aruba		
AU	Australia – Surface parcels – Air parcels		
AT	Austria		
AZ	Azerbaijan		
BS	Bahamas – Surface parcels – Air parcels		
BH	Bahrain (Kingdom)		
BD	Bangladesh – Surface parcels – Air parcels		
BB	Barbados		
BY	Belarus		
BE	Belgium – Surface parcels – Air parcels		
BZ	Belize		
BJ	Benin		
BT	Bhutan		

ISO	Designated operator	Rate per parcel (SDR)	Rate per kg (SDR)
BO	Bolivia – Surface parcels – Air parcels		
BA	Bosnia and Herzegovina (JP BH Pošta)		
BA	Bosnia and Herzegovina (Pošte Srpske)		
BA	Bosnia and Herzegovina (Mostar)		
BW	Botswana		
BR	Brazil		
BN	Brunei Darussalam		
BG	Bulgaria (Rep.)		
BF	Burkina Faso		
BI	Burundi		
KH	Cambodia		
CM	Cameroon		
CA	Canada – Surface parcels – Air parcels		
CV	Cape Verde – Surface parcels – Air parcels		
CF	Central African Rep.		
TD	Chad – Surface parcels – Air parcels		
CL	Chile – Surface parcels – Air parcels		
CN	China (People's Rep.) – Surface parcels – Air parcels		
HK	– Hong Kong, China		
MO	– Macao, China		

<i>ISO</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
CO	Colombia – Surface parcels – Air parcels		
KM	Comoros		
CG	Congo (Rep.)		
CR	Costa Rica		
CI	Côte d'Ivoire (Rep.)		
HR	Croatia		
CU	Cuba – Surface parcels – Air parcels		
CW	Curaçao		
CY	Cyprus		
CZ	Czech Rep.		
KP	Dem. People's Rep. of Korea		
CD	Dem. Rep. of the Congo		
DK	Denmark		
DJ	Djibouti		
DM	Dominica		
DO	Dominican Republic		
EC	Ecuador – Surface parcels – Air parcels		
EG	Egypt – Surface parcels – Air parcels		
SV	El Salvador		
GQ	Equatorial Guinea		
ER	Eritrea		
EE	Estonia		
SZ	Eswatini		
ET	Ethiopia		
FJ	Fiji		
FI	Finland		
AX	– Åland Islands		

ISO	Designated operator	Rate per parcel (SDR)	Rate per kg (SDR)
FR	France <sup>1</sup>		
PF	– French Polynesia		
NC	– New Caledonia		
WF	– Wallis and Futuna Islands		
GA	Gabon – Surface parcels – Air parcels		
GM	Gambia		
GE	Georgia		
DE	Germany		
GH	Ghana		
GR	Greece		
GD	Grenada		
GT	Guatemala		
GN	Guinea		
GW	Guinea-Bissau		
GY	Guyana – Surface parcels – Air parcels		
HT	Haiti		
HN	Honduras (Rep.) – Surface parcels – Air parcels		
HU	Hungary		
IS	Iceland		
IN	India – Surface parcels – Air parcels		
ID	Indonesia – Surface parcels – Air parcels		
IR	Iran (Islamic Rep.) – Surface parcels – Air parcels		
IQ	Iraq		

ISO	Designated operator	Rate per parcel (SDR)	Rate per kg (SDR)
IE	Ireland		
IL	Israel		
IT	Italy		
JM	Jamaica		
JP	Japan		
JO	Jordan		
KZ	Kazakhstan – Surface parcels – Air parcels		
KE	Kenya		
KI	Kiribati		
KR	Korea (Rep.)		
KW	Kuwait		
KG	Kyrgyzstan		
LA	Lao People's Dem. Rep.		
LV	Latvia		
LB	Lebanon		
LS	Lesotho		
LR	Liberia		
LI	Liechtenstein		
LT	Lithuania		
LU	Luxembourg		
MG	Madagascar		
MW	Malawi		
MY	Malaysia		
MV	Maldives		
ML	Mali		
MT	Malta		
MR	Mauritania		
MU	Mauritius		
MX	Mexico – Surface parcels – Air parcels		
MD	Moldova		
MN	Mongolia		
ME	Montenegro		
MA	Morocco		

<i>ISO</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
MZ	Mozambique – Surface parcels – Air parcels		
MM	Myanmar – Surface parcels – Air parcels		
NA	Namibia		
NR	Nauru		
NP	Nepal		
NL	Netherlands		
BQ	– Bonaire, Sint Eustatius and Saba		
NZ	New Zealand – Air parcels		
CK	– Cook Islands • Surface parcels • Air parcels		
NI	Nicaragua		
NE	Niger		
NG	Nigeria		
MK	North Macedonia		
NO	Norway		
OM	Oman		
PK	Pakistan – Surface parcels – Air parcels		
PS	Palestine		
PA	Panama (Rep.)		
PG	Papua New Guinea		
PY	Paraguay – Surface parcels – Air parcels		
PE	Peru – Surface parcels – Air parcels		
PH	Philippines – Surface parcels – Air parcels		

ISO	Designated operator	Rate per parcel (SDR)	Rate per kg (SDR)
PL	Poland		
PT	Portugal		
QA	Qatar		
RO	Romania – Surface parcels – Air parcels		
RU	Russian Federation – Surface parcels – Air parcels		
RW	Rwanda		
KN	Saint Christopher (St Kitts) and Nevis		
LC	Saint Lucia		
VC	Saint Vincent and the Grenadines		
WS	Samoa		
ST	Sao Tome and Principe		
SA	Saudi Arabia – Surface parcels – Air parcels		
SN	Senegal		
RS	Serbia		
SC	Seychelles		
SL	Sierra Leone		
SG	Singapore		
SX	Sint Maarten		
SK	Slovakia		
SI	Slovenia		
SB	Solomon Islands		
SO	Somalia		
ZA	South Africa – Surface parcels – Air parcels		
SS	South Sudan		
ES	Spain		
LK	Sri Lanka		
LY	State of Libya – Surface parcels – Air parcels		

<i>ISO</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
SD	Sudan – Surface parcels – Air parcels		
SR	Suriname		
SE	Sweden		
CH	Switzerland		
SY	Syrian Arab Rep.		
TJ	Tajikistan		
TZ	Tanzania (United Rep.)		
TH	Thailand – Surface parcels – Air parcels		
TL	Timor-Leste (Dem. Rep.)		
TG	Togo		
TO	Tonga (including Niuafo'ou)		
TT	Trinidad and Tobago		
TN	Tunisia		
TR	Turkey – Surface parcels – Air parcels		
TM	Turkmenistan		
TV	Tuvalu		
UG	Uganda		
UA	Ukraine		
AE	United Arab Emirates		
GB	United Kingdom		
AI	– Anguilla		
AC	– Ascension		
BM	– Bermuda		
VG	– British Virgin Islands		
KY	– Cayman Islands		
FK	– Falkland Islands (Malvinas)		
GI	– Gibraltar		
MS	– Montserrat		
PN	– Pitcairn Islands		
SH	– St Helena		
TA	– Tristan da Cunha		



<i>ISO</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
TC	– Turks and Caicos Islands		
US	United States of America – Surface parcels – Air parcels		
UY	Uruguay		
UZ	Uzbekistan		
VU	Vanuatu		
VA	Vatican		
VE	Venezuela (Bolivarian Rep.) – Surface parcels – Air parcels		
VN	Viet Nam – Surface parcels – Air parcels		
YE	Yemen – Surface parcels – Air parcels		
ZM	Zambia – Surface parcels – Air parcels		
ZW	Zimbabwe		

**Parcel service features provided by designated operators (for a complete description of the service features, see article 32-201 of the Regulations to the Convention)**

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		C events – Bonus: 2%	D events – Bonus: 2%	H/I over D		EDB/ EME and EDC events – Bonus: 5%			RESDES/ PREDES messages – Bonus: 5%	Bonus for on-time responses – 3%	Bonus for opening requests received – 1%
EDH/ EMH/ EMI events	Bonus										
AF	Afghanistan										
AL	Albania										
DZ	Algeria										
AO	Angola										
AG	Antigua and Barbuda <sup>2</sup>										
AR	Argentina										
AM	Armenia										
AW	Aruba										
AU	Australia										
AT	Austria										
AZ	Azerbaijan										
BS	Bahamas										
BH	Bahrain (Kingdom)										
BD	Bangladesh										
BB	Barbados										
BY	Belarus										
BE	Belgium										
BZ	Belize										
BJ	Benin										
BT	Bhutan										
BO	Bolivia										

<sup>2</sup> [REDACTED]

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%						Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		C events – Bonus: 2%	D events – Bonus: 2%	H/I over D		EDB/ EME and EDC events – Bonus: 5%	RESDES/ PREDES messages – Bonus: 5%			Bonus for on-time responses – 3%	Bonus for opening requests received – 1%	Bonus for opening replies received – 1%
BA	Bosnia and Herzegovina (JP BH Pošta)											
BA	Bosnia and Herzegovina (Pošte Srpske)											
BA	Bosnia and Herzegovina (Mostar)											
BW	Botswana											
BR	Brazil											
BN	Brunei Darussalam											
BG	Bulgaria (Rep.)											
BF	Burkina Faso											
BI	Burundi											
KH	Cambodia											
CM	Cameroon											
CA	Canada											
CV	Cape Verde											
CF	Central African Rep.											
TD	Chad											
CL	Chile											
CN	China (People’s Rep.)											
HK	– Hong Kong, China											
MO	– Macao, China											
CO	Colombia											
KM	Comoros											

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%						Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		C events – Bonus: 2%	D events – Bonus: 2%	H/I over D		EDB/ EME and EDC events – Bonus: 5%	RESDES/ PREDES messages – Bonus: 5%			Bonus for on-time responses – 3%	Bonus for opening requests received – 1%	Bonus for opening replies received – 1%
CG	Congo (Rep.)											
CR	Costa Rica											
CI	Côte d'Ivoire (Rep.)											
HR	Croatia											
CU	Cuba											
CW	Curaçao											
CY	Cyprus											
CZ	Czech Rep.											
KP	Dem. People's Rep. of Korea <sup>3</sup>											
CD	Dem. Rep. of the Congo											
DK	Denmark											
DJ	Djibouti											
DM	Dominica											
DO	Dominican Republic											
EC	Ecuador											
EG	Egypt											
SV	El Salvador											
GQ	Equatorial Guinea <sup>4</sup>											
ER	Eritrea											
EE	Estonia											
SZ	Eswatini											
ET	Ethiopia											

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ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%						Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		C events – Bonus: 2%	D events – Bonus: 2%	H/I over D		EDB/ EME and EDC events – Bonus: 5%	RESDES/ PREDES messages – Bonus: 5%			Bonus for on-time responses – 3%	Bonus for opening requests received – 1%	Bonus for opening replies received – 1%
FJ	Fiji											
FI	Finland											
AX	– Åland Islands <sup>5</sup>											
FR	France <sup>6</sup>											
PF	– French Polynesia											
NC	– New Caledonia											
WF	– Wallis and Futuna Islands <sup>7</sup>											
GA	Gabon											
GM	Gambia											
GE	Georgia											
DE	Germany											
GH	Ghana											
GR	Greece											
GD	Grenada											
GT	Guatemala											
GN	Guinea											
GW	Guinea-Bissau <sup>8</sup>											
GY	Guyana											
HT	Haiti											
HN	Honduras (Rep.) <sup>9</sup>											
HU	Hungary											

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		C events – Bonus: 2%	D events – Bonus: 2%	H/I over D		EDB/ EME and EDC events – Bonus: 5%			Bonus for on-time responses – 3%	Bonus for opening requests received – 1%	Bonus for opening replies received – 1%
IS	Iceland										
IN	India										
ID	Indonesia										
IR	Iran (Islamic Rep.)										
IQ	Iraq										
IE	Ireland										
IL	Israel										
IT	Italy										
JM	Jamaica										
JP	Japan										
JO	Jordan										
KZ	Kazakhstan										
KE	Kenya										
KI	Kiribati										
KR	Korea (Rep.)										
KW	Kuwait										
KG	Kyrgyzstan										
LA	Lao People's Dem. Rep.										
LV	Latvia										
LB	Lebanon										
LS	Lesotho										
LR	Liberia										
LI	Liechtenstein										
LT	Lithuania										
LU	Luxembourg										
MG	Madagascar										
MW	Malawi										

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%						Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		C events – Bonus: 2%	D events – Bonus: 2%	H/I over D		EDB/ EME and EDC events – Bonus: 5%	RESDES/ PREDES messages – Bonus: 5%			Bonus for on-time responses – 3%	Bonus for opening requests received – 1%	Bonus for opening replies received – 1%
EDH/ EMH/ EMI events	Bonus											
MY	Malaysia											
MV	Maldives											
ML	Mali											
MT	Malta											
MR	Mauritania											
MU	Mauritius											
MX	Mexico											
MD	Moldova											
MN	Mongolia											
ME	Montenegro											
MA	Morocco											
MZ	Mozambique											
MM	Myanmar											
NA	Namibia											
NR	Nauru <sup>10</sup>											
NP	Nepal											
NL	Netherlands											
BQ	– Bonaire, Sint Eustatius and Saba											
NZ	New Zealand											
CK	– Cook Islands											
NI	Nicaragua											
NE	Niger											
NG	Nigeria											
MK	North Macedonia											
NO	Norway											

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%						Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		C events – Bonus: 2%	D events – Bonus: 2%	H/I over D		EDB/ EME and EDC events – Bonus: 5%	RESDES/ PREDES messages – Bonus: 5%			Bonus for on-time responses – 3%	Bonus for opening requests received – 1%	Bonus for opening replies received – 1%
OM	Oman											
PK	Pakistan											
PS	Palestine											
PA	Panama (Rep.)											
PG	Papua New Guinea											
PY	Paraguay											
PE	Peru											
PH	Philippines											
PL	Poland											
PT	Portugal											
QA	Qatar											
RO	Romania											
RU	Russian Federation											
RW	Rwanda											
KN	Saint Christopher (St Kitts) and Nevis											
LC	Saint Lucia											
VC	Saint Vincent and the Grenadines											
WS	Samoa											
ST	Sao Tome and Principe											
SA	Saudi Arabia											
SN	Senegal											
RS	Serbia											
SC	Seychelles											
SL	Sierra Leone											



ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%						Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		C events – Bonus: 2%	D events – Bonus: 2%	H/I over D		EDB/ EME and EDC events – Bonus: 5%	RESDES/ PREDES messages – Bonus: 5%			Bonus for on-time responses – 3%	Bonus for opening requests received – 1%	Bonus for opening replies received – 1%
SG	Singapore											
SX	Sint Maarten											
SK	Slovakia											
SI	Slovenia											
SB	Solomon Islands											
SO	Somalia <sup>11</sup>											
ZA	South Africa											
SS	South Sudan											
ES	Spain											
LK	Sri Lanka											
LY	State of Libya											
SD	Sudan											
SR	Suriname											
SE	Sweden											
CH	Switzerland											
SY	Syrian Arab Rep.											
TJ	Tajikistan											
TZ	Tanzania (United Rep.)											
TH	Thailand											
TL	Timor-Leste (Dem. Rep.)											
TG	Togo											
TO	Tonga (including Niuafo'ou)											
TT	Trinidad and Tobago											
TN	Tunisia											

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%						Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		C events – Bonus: 2%	D events – Bonus: 2%	H/I over D		EDB/ EME and EDC events – Bonus: 5%	RESDES/ PREDES messages – Bonus: 5%			Bonus for on-time responses – 3%	Bonus for opening requests received – 1%	Bonus for opening replies received – 1%
TR	Turkey											
TM	Turkmenistan											
TV	Tuvalu											
UG	Uganda											
UA	Ukraine											
AE	United Arab Emirates											
GB	United Kingdom											
AI	– Anguilla											
AC	– Ascension											
BM	– Bermuda											
VG	– British Virgin Islands											
KY	– Cayman Islands											
FK	– Falkland Islands (Malvinas)											
GI	– Gibraltar											
MS	– Montserrat <sup>12</sup>											
PN	– Pitcairn Islands <sup>13</sup>											
SH	– St Helena											
TA	– Tristan da Cunha											
TC	– Turks and Caicos Islands <sup>14</sup>											

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ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%						Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		C events – Bonus: 2%	D events – Bonus: 2%	H/I over D		EDB/ EME and EDC events – Bonus: 5%	RESDES/ PREDES messages – Bonus: 5%			Bonus for on-time responses – 3%	Bonus for opening requests received – 1%	Bonus for opening replies received – 1%
US	United States of America											
UY	Uruguay											
UZ	Uzbekistan											
VU	Vanuatu											
VA	Vatican											
VE	Venezuela (Bolivarian Rep.)											
VN	Viet Nam											
YE	Yemen											
ZM	Zambia											
ZW	Zimbabwe											

### **Certification of Prices for Inbound Parcel Post (at UPU Rates)**

I, Nan K. McKenzie, Manager of Pricing Innovation, United States Postal Service, am familiar with the prices for Inbound Parcel Post (at UPU Rates). The prices were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-published Competitive Rates (Governors' Decision No. 19-1), issued on February 7, 2019.

I hereby certify that the numerical cost values underlying the prices for Inbound Parcel Post (at UPU Rates) are the appropriate costs to use in the formulas and represent the best available information. The prices demonstrate that Inbound Parcel Post (at UPU Rates) should cover its attributable costs and preclude the subsidization of competitive products by market-dominant products. International competitive mail accounts for a relatively small percentage of the total contribution by all competitive products. Contribution from Inbound Parcel Post (at UPU Rates) should be even smaller. Inbound Parcel Post (at UPU Rates) should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

**Nan K. McKenzie**

Digitally signed by Nan K. McKenzie  
DN: cn=Nan K. McKenzie, o, ou=Manager, Pricing  
Innovation, email=nan.k.mckenzie@usps.gov,  
c=US  
Date: 2019.12.09 14:57:59 -05'00'

Nan K. McKenzie

Date

**Dear All (Veuillez voir ci-après la version en français du présent message),**

Please find attached the six-month Parcels Performance Measurement Report which is used for the assessment of the 1 January 2020 inward land rates in relation to the eligibility of individual designated operators to receive the bonuses associated with track and trace and IBIS. The enclosed reports covers the period from 1 February 2019 to 31 July 2019. The Consolidated "Inbound Performance Report" and the Consolidated "Outbound Performance report" are used to assess operators' eligibility to receive bonuses for 1 January 2020 ILRs as follows:

	<b>ILR BONUS SYSTEM FOR 2020</b>			
	Performance indicators related with EMC, EMD events	Performance indicators related with EDB, EME and EDC events	Performance indicators related with PREDES and RESDES messages	Performance indicators related with EDH, EMH and EMI events
Operational definition	<p>The percentage of items which received an EMC event against the number of items for which an EMD event was sent by the destination operators: EMC over EMD - Outbound ratio.</p> <p>The percentage of items which received an EMD event against the number of items for which an EMC event was sent by the origin operator: EMD over EMC - Inbound ratio.</p> <p>Transmission EMC and EMD events</p>	<p>Items returned from import customs (EDC) as % of items previously presented to or held by import Customs: EDC over EDB or EME.</p> <p>Transmission of EDC events.</p>	<p>Dispatches to an individual operator for which a response to dispatch (RESDES) was provided as % of all dispatches for which a pre-advise of dispatch (PREDES) was sent.</p> <p>RESDES over PREDES *****</p> <p>Transmission of PREDES and RESDES messages.<sup>1</sup></p>	<p>The percentage of items which received an EDH, EMH and/or EMI event against the number of items received (and scanned EMD) at the inward OE.</p> <p>EDH or EMH or EMI over EMD</p> <p>Transmission of EDH, EMH, EMI events<sup>2</sup></p>
Performance targets	<p><u>Related to EMC events</u> Minimum ratios of 80%:</p> <ul style="list-style-type: none"> <li>- EMC over EMD;</li> <li>- EMC transmitted within 24 elapsed hours;</li> </ul> <p><u>Related to EMD events</u> Minimum ratios of 60%:</p> <ul style="list-style-type: none"> <li>- EMD over EMC;</li> <li>- EMD transmitted within 24 elapsed hours</li> </ul>	<p>Minimum ratio of 80%:</p> <ul style="list-style-type: none"> <li>- EDC over EDB or EME events.</li> <li>- EDC transmitted within 24 elapsed hours</li> </ul>	<p>1. Minimum number of partners receiving PREDES messages: 5</p> <p>2. Minimum RESDES over PREDES ratio: 80%</p> <p>2.1 PREDES messages transmitted within 24 elapsed hours.</p> <p>2.2 RESDES messages transmitted within 24 elapsed hours.</p>	<p>Minimum range ratio from 80% to 90%:</p> <ul style="list-style-type: none"> <li>- EMH/EMI over EMD events;</li> <li>- EDH/EMH/EMI transmitted within 48 hours of the event time and date</li> </ul>

<sup>1</sup> Since 1 February 2016 the use of PREDES (version 2.1 or later) and RESDES (version 1.1 or later) is mandatory according to Regulations article 17-216.2. Therefore, only PREDES 2.1 or later and RESDES 1.1 or later messages are considered in the six-month Parcels Performance Measurement Report.

<sup>2</sup> The use of EMSEVT v3.0 is mandatory for parcels according to Regulations article 17-216.1 since 1 January 2018 and is implemented in all parcels performance reports since 1 February 2018.

Bonus percentage	2% for EMC 2% for EMD	5%	5%	1% for 80% Perf. 6% for 85% Perf. 2% for 81% Perf. 7% for 86% Perf. 3% for 82% Perf. 8% for 87% Perf. 4% for 83% Perf. 9% for 88% Perf 5% for 84% Perf. 10% for 89% Perf 11% for 90% Perf. or higher
References to the Regulations	Res CEP 3/2019.1; Regs Articles: 17-216.1.1; 17-217; 17-218.1.1; 32-201.4.1.1.1; 32-201.4.1.1.2.	Res CEP 3/2019.1; Regs Articles: 17-216.1.1; 17-217; 32-201.4.1.2.	Res CEP 3/2019.1; Regs Articles: 17-216.2; 17-217.2; 32-201.4.1.3.	Res CEP 3/2019.1; Regs Articles: 17-216.1.1; 17-217; 17-218.1.2; 32-201.4.1.1.3.

In addition, you will also find enclosed the Internet-based Inquiry System (IBIS) six-month report. This report is used by the International Bureau to assess operators' eligibility to receive the total of 5% bonus associated with the use of IBIS as defined in Regulations Articles 21-003.7 and 32-201.4.4:

- 3% for achieving the target of 90% on-time responses to inquiries.
- 1% for opening requests received (within a maximum average time of 16 working hours).
- 1% for opening replies received (within a maximum average time of 16 working hours).

For further information on these reports, please contact: [parcels@upu.int](mailto:parcels@upu.int)

However, if you received this report in error, please inform the PTC helpdesk, [ptc.support@upu.int](mailto:ptc.support@upu.int).

Best regards,

**Quality Improvement Programme Team**

### Period: February 2019 - July 2019

#### Explanation of measurements:

The reports show the measured performance of all parcels (Air, Surface and SAL) for the specified period and cover the EDI data received by the International Post Corporation (IPC) and the UPU Postal Technology Centre (PTC) by the 10th day of the following month. The measurement of performance is item specific (events relate to the same parcel) so as to avoid double counting of scanned events. For detailed information on the parcel measurement reports, a Guide to the Parcels reports is available at the UPU website: <http://www.upu.int/en/activities/parcels/publications.html>

Since the transportation for Surface and SAL parcels can take a considerable amount of time, the calculations of cross-border ratios use a special algorithm that also takes into account data in respect of all items despatched from outward office of exchange (Event EMC) or other outbound events – EMA or EMB) from the previous two months. This is to allow sufficient time for all the information concerned to be captured into the database. Under such circumstances, the calculation of the following two ratios is not item specific:

- Items arriving at inward office of exchange (Event EMD) as a percentage of parcels despatched from outward office of exchange (Event EMC)
- Items made available at collection point for pick-up (by recipient), or attempted/unsuccessfully delivered or finally delivered (Events EDH, EMH or EMI) as a percentage of parcels
- items with a scanned EMD event as a percentage of parcels sent by the originating operator during the selected month (Events EMA, EMB, or EMC)

The performance reports comprise the following four sets of reports:

- All Operators Inbound Performance Report: Your inbound performance compared to your partners' inbound performance.
- All Operators Outbound Performance Report: Your outbound performance compared to your partners' outbound performance.
- Outbound Item Report: (each Delivery Operator's performance on parcels sent from the Originating Operator) – This report shows how other operators perform for parcels originated from your country.
- Inbound Item Report: (The Delivery Operator's performance on parcels received from each Originating Operator) – This report shows how you perform for parcels received from other countries.

Each set of these reports is made up of the following four separate reports to show the performance of the different categories of parcels:

- Consolidated Report (All parcels)
- Air (Priority) Report
- Surface/SAL Report
- Report on Parcels with no PREDES V2.1 information (It is not possible to identify whether these parcels are Air [Priority] or Surface/SAL parcels)

The separate reports for Air (Priority) and Surface/SAL parcels can only be produced for those operators that transmit PREDES V2.1 messages.

#### Measurable events and messages\*:

The events measured in the reports include:

- |           |  |
|-----------|--|
| Event EMA | - Posting / Collection                       |
| Event EMB | - Arrival at outward office of exchange      |
| Event EMC | - Departure from outward office of exchange  |
| Event EMD | - Arrival at inward office of exchange       |
| Event EDB | Item presented to import Customs             |
| Event EME | - Item held by Customs                       |
| Event EDC | - Item returned from import Customs          |
| Event EMH | - Attempted/Unsuccessful (physical) delivery |
| Event EMI | - Final delivery                             |

- |           |   |
|-----------|---|
| Event EMJ | - Arrival at transit office of exchange     |
| Event EMK | - Departure from transit office of exchange |

The messages measured in the reports include:

- |             |   |
|-------------|---|
| PREDES V2.1 | - pre-advice of despatch prepared                 |
| RESDES V1.1 | - administration confirmation of despatch receipt |

\* All item level tracking information are mandatory and based on EMSEVT V3 (Article 16-216)

### Performance Reports:

#### 1. All Operators Inbound Performance Report

This set of reports show the aggregated performance of all operators in processing all their inbound parcels.

The percentage figures are calculated based on the number of parcels with a particular event over the same parcels with another event. The performance results include:

##### Scanning performance (%)

- Event EMD over items sent\*. Minimum performance targets are approved by POC (refer to Parcel Post Manual). An item is considered sent if it has one of the outbound EMSEVT events: EMA, EMB or EMC transmitted.
- Event EMD over Event EMC\*. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDC over Event EDB or EME. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH or EMI over Event EMC\*
- Event EDH or EMH or EMI over Event EMD. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EMI over Event EMD
- Event EDH or EMH no EMI over Event EMD
- Event EMK over Event EMJ
- RESDES V1.1 over PREDES V2.1. Minimum performance targets are approved by POC (refer to Parcel Post Manual).

##### Transmission (%) – Event scans

- Event EMD transmitted within 24 hours
- Event EDH or EMH or EMI transmitted within 48 hours
- Event EDC transmitted within 24 hours
- RESDES messages transmitted within 24 hours

##### Delivery performance (%) – Time between EMD and EDH/EMH/EMI

- Percentage of parcels taking between 2 to 10 or more calendar days for delivery, excluding the time parcels are held in Customs. The data shown are cumulative figures.
- No delivery information - Percentage of parcels that do not have Event EDH or EMH or EMI
- Out of sequence - Percentage of parcels with scan events that are not in chronological order. These items are excluded from the performance calculation.

#### Note:

##### \* The interpretation of possible results for this ratio are:

- When the result is less than 100%, the Delivery Operator is not capturing all its inbound parcels
- When the result is equal to 100%, the Delivery Operator is capturing all its inbound parcels
- When the result is more than 100%, the Originating Operator is not capturing all its outbound parcels

#### 2. All Operators Outbound Performance Report

This set of reports shows the aggregated performance of all operators in processing their outbound parcels.

The percentage figures are calculated based on the number of parcels with a particular event over the same parcels with another event. The performance results include:

##### Scanning performance (%)

- Event EMC over items received. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EMC over EMD. Minimum performance targets are approved by POC (refer to Parcel Post Manual).

##### Transmission (%) – Event scans

- Event EMA transmitted within 24 hours
- Event EMB transmitted within 24 hours
- Event EMC transmitted within 24 hours
- PREDES messages transmitted within 24 hours



### 3. Inbound Item Report

This set of reports shows the performance of the Delivery Operator on parcels from each Originating Operator. This includes:

#### Parcels with events received by Delivery Operator

- Number of parcels received from each Originating Operator (based on Events EMA, EMB and EMC)
- Number of parcels received from each Originating Operator with information on:
  - Event EMA
  - Event EMB
  - Event EMC

#### Parcels with events sent to partners

- Number of parcels from each Originating Operator arriving at the inward OE (based on Events EMD to EMI)
- Number of parcels processed by the Delivery Operator with information on:
  - Event EMD
  - Event EDB
  - Event EME
  - Event EDC
  - Event EDH
  - Event EMH
  - Event EMI

#### Scanning performance (%)

- Event EMD over items sent\*. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDB or EME over Event EMD
- Event EDC over Event EDB or EME. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH or EMI over Event EMD. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH no EMI over Event EMD

#### Delivery performance (%) – Time between EMD and EDH/EMH/EMI

- Percentage of parcels taking between 2 to 10 or more calendar days for delivery, including the time parcels are held in Customs. The data shown are cumulative figures.

#### No information - No delivery information

- Number of parcels with no attempted or final delivery information or were not made available at collection point for pick-up (by recipient)

#### Note:

\* The interpretation of possible results for this ratio are

- When the result is less than 100%, the Delivery Operator is not capturing all its inbound parcels

- When the result is equal to 100%, the Delivery Operator is capturing all its inbound parcels
- When the result is more than 100%, the Originating Operator is not capturing all its inbound parcels

### 4. Outbound Item Report

This set of reports show the performance of each Delivery Operator on parcels from the Originating Operator. This includes:

#### Parcels with events sent by Originating Operator

- Number of parcels sent to each Delivery Operator (based on Events EMA, EMB and EMC)
- Number of parcels sent to each Delivery Operator with information on:
  - Event EMA
  - Event EMB
  - Event EMC

#### Parcels with events received from partners

- Number of parcels arriving at the inward OE of the Delivery Operator (based on Events EMD to EMI)
- Number of parcels processed by the Delivery Operator with information on:
  - Event EMD
  - Event EDB
  - Event EME
  - Event EDC
  - Event EDH
  - Event EMH
  - Event EMI

#### Scanning performance (%)

- Event EMD over items sent\*. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDB or EME over Event EMD
- Event EDC over Event EDB or EME. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH or EMI over Event EMD. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH no EMI over Event EMD

#### Delivery performance (%) – Time between EMD and EDH/EMH/EMI

- Percentage of parcels taking between 2 to 10 or more calendar days for delivery, excluding the time parcels are held in Customs. The data shown are cumulative figures.

#### No information - No delivery information

- Number of parcels with no attempted or final delivery information or were not made available at collection point for pick-up (by recipient)



# 6-Months Parcels Measurement Reports

## Inbound Outbound Performance Report All Operators

QCS Mail 2.5 © Copyright UPU 2007-2010, v5.1

(Prepared by the Universal Postal Union)

2019-08-15 12:36 (UTC/GMT)

### Inbound Performance Report, February 2019 - July 2019

Consolidated	Scanning performance (%)									Transmission (%)				Messages	Delivery performance (%)										
										Event scans				RESDES partners	Time between EMD and EDH/EMH/EMI (in calendar days)										No deliv. info.
Delivery Operator	EMD/ items sent*	EMD/ EMC*	EDC/ EDB or EME	EDH or EMH or EMI /EMC*	EDH or EMH or EMI / EMD	EMI/ EMD	EDH or EMH no EMI /EMD	EMK/ EMJ	RESDES over PREDES	EMD < 24hrs	EDH or EMH or EMI < 48hrs	EDC < 24hrs	RESDES < 24hrs	No. of RESDES partners	< 2 days	< 3 days	< 4 days	< 5 days	< 6 days	< 7 days	<10 days	>10 days			
SOA																									
SRA																									
STA																									
SVA																									
SXA																									
SYA																									
SZA																									
TCA																									
TDA																									
TGA																									
THA																									
TJA																									
TLA																									
TMA																									
TNA																									
TOA																									
TRA																									
TTA																									
TVA																									
TZA																									
UAA																									
UGA																									
USA																									
UYA																									
UZA																									
VAA																									
VCA																									
VEA																									



## 6-Months Parcels Measurement Reports

### Inbound Outbound Performance Report All Operators

QCS Mail 2.5 © Copyright UPU 2007-2010, v5.1

(Prepared by the Universal Postal Union)

2019-08-15 12:36 (UTC/GMT)

### Outbound Performance Report, February 2019 - July 2019

Consolidated	Scanning performance (%)		Transmission (%)				Messages
			Event scans				
Originating Operator	EMC / items received	EMC/EMD	EMA < 24hrs	EMB < 24hrs	EMC < 24hrs	PREDES < 24hrs	No. of PREDES partners
TJA							
TLA							
TMA							
TNA							
TOA							
TRA							
TTA							
TVA							
TZA							
UAA							
UGA							
USA							
UYA							
UZA							
VAA							
VCA							
VEA							
VGA							
VNA							
VUA							
WSA							
YEA							
ZAA							
ZMA							
ZWA							
Total							

# IBIS for Parcels

Global Customer Service System © IPC

## Parcels Customer Service Performance Consolidated Report

Reporting period 01/02/2019 - 31/07/2019

Creation date: 04/08/2019 © IPC

Partner		As replying partner									As requesting partner								
		Timeliness			Quality						Timeliness			Quality					
		On-time reply (Reply time standards)		Time to open requests received	Workflow Resolution			Workflow duration (< 30 working days)			On-time reply (Reply time standards)		Time to open replies received	Workflow Resolution			Workflow duration (< 30 working days)		
		Inquiries received	On-time reply	Average time to open	Workflow received	1 Level Resolution	Reactivation	Average duration	Closed cases	Excessive duration (> 30 working days)	Inquiries sent	On-time reply	Average time to open	Workflows sent	1 Level Resolution	Reactivation	Average duration	Closed cases	Excessive duration (> 30 working days)
ISO	Country name	#	%	working hours	#	%	%	working days	%	#	#	%	working hours	#	%	%	working days	%	#
SL	Sierra Leone																		
SN	Senegal																		
SR	Suriname																		
SV	El Salvador																		
SX	St. Maarten																		
SY	Syria																		
SZ	Swaziland																		
TD	Tchad																		
TG	Togo																		
TH	Thailand																		
TN	Tunisia																		
TO	Tonga																		
TR	Turkey																		
TT	Trinidad and Tobago																		
TZ	Tanzania																		
UA	Ukraine																		
UG	Uganda																		
US	United States																		
UY	Uruguay																		
UZ	Uzbekistan																		
VA	Vatican City State																		
VG	British Virgin Islands																		
VN	Vietnam																		
VU	Vanuatu																		
WS	Samoa																		
YE	Yemen																		
ZA	South Africa																		
ZM	Zambia																		
ZW	Zimbabwe																		
Global Results																			

INTERNATIONAL POSTAL AFFAIRS



August 26, 2019

Mr. Philippe Grondein  
Economic and Regulatory Affairs Directorate  
UPU International Bureau  
P.O. Box 312  
3000 Berne 15  
SWITZERLAND

Fax: +41 31 350 31 10

Dear Mr. Grondein:

The United States wishes to claim an adjustment for inflation to its base inward land rates for the delivery of parcels.


Enclosed is an excerpt from the U.S. Department of Labor's Bureau of Labor Statistics that records the consumer price index (CPI-U) for the United States as of July. This same official source also contains the percent change in the U.S. consumer price index from July 2018 to July 2019.

We request U.S. inward land rates receive an inflation adjustment of 1.81 percent over the term, as documented in this official U.S. government source recording the annual change in the U.S. consumer price index (July 2019 until July 2019).

<u>Year</u>	<u>July</u>
2018	252.006
2019	256.571

Thank you for your attention to this matter.

Sincerely,

  
for Jimmy Ortiz

Enclosure

cc: Stuart Smith, U.S. State Department

**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by expenditure category, July 2019**  
[1982-84=100, unless otherwise noted]

Expenditure category	Relative importance Jun. 2019	Unadjusted indexes			Unadjusted percent change		Seasonally adjusted percent change		
		Jul. 2018	Jun. 2019	Jul. 2019	Jul. 2018- Jul. 2019	Jun. 2019- Jul. 2019	Apr. 2019- May 2019	May 2019- Jun. 2019	Jun. 2019- Jul. 2019
All items.....	100.000	252.006	256.143	256.571	1.8	0.2	0.1	0.1	0.3
Food.....	13.232	253.746	258.064	258.274	1.9	0.1	0.3	0.0	0.0
Food at home.....	7.189	239.820	241.407	241.359	0.6	0.0	0.3	-0.2	-0.1
Cereals and bakery products.....	0.952	273.258	276.891	277.490	1.5	0.2	0.4	-0.6	0.3
Meats, poultry, fish, and eggs.....	1.579	250.042	249.231	250.033	0.0	0.3	0.8	-0.7	0.1
Dairy and related products.....	0.718	215.622	217.433	217.626	0.9	0.1	0.7	0.3	-0.3
Fruits and vegetables.....	1.262	297.632	298.611	299.350	0.6	0.2	-0.8	-0.5	0.3
Nonalcoholic beverages and beverage materials.....	0.861	166.577	170.230	169.685	1.9	-0.3	1.2	-0.6	-0.4
Other food at home.....	1.817	210.736	212.056	210.941	0.1	-0.5	0.0	0.7	-0.7
Food away from home <sup>1</sup> .....	6.043	276.125	284.316	284.891	3.2	0.2	0.2	0.3	0.2
Energy.....	7.748	227.107	221.373	222.492	-2.0	0.5	-0.6	-2.3	1.3
Energy commodities.....	4.373	257.338	246.818	248.629	-3.4	0.7	-0.4	-3.5	2.4
Fuel oil.....	0.108	296.602	277.244	278.773	-6.0	0.6	-0.3	-2.3	0.6
Motor fuel.....	4.196	253.424	243.163	245.042	-3.3	0.8	-0.5	-3.6	2.5
Gasoline (all types).....	4.108	252.232	242.043	244.000	-3.3	0.8	-0.5	-3.6	2.5
Energy services.....	3.375	207.091	206.219	206.651	-0.2	0.2	-0.8	-0.7	0.0
Electricity.....	2.645	217.900	217.947	219.083	0.5	0.5	-0.8	-0.8	0.6
Utility (piped) gas service.....	0.729	172.062	168.628	167.074	-2.9	-0.9	-1.0	-0.3	-1.8
All items less food and energy.....	79.021	257.867	263.177	263.566	2.2	0.1	0.1	0.3	0.3
Commodities less food and energy commodities.....	19.346	143.861	144.461	144.448	0.4	0.0	-0.1	0.4	0.2
Apparel.....	2.980	122.831	123.749	122.161	-0.5	-1.3	0.0	1.1	0.4
New vehicles.....	3.684	146.526	147.417	147.035	0.3	-0.3	0.1	0.1	-0.2
Used cars and trucks.....	2.392	140.687	140.823	142.756	1.5	1.4	-1.4	1.6	0.9
Medical care commodities.....	1.680	381.954	379.462	380.278	-0.4	0.2	-0.4	-0.2	0.2
Alcoholic beverages.....	0.959	248.469	252.538	253.129	1.9	0.2	0.4	0.3	0.4
Tobacco and smoking products.....	0.664	1,062.895	1,109.099	1,120.066	5.4	1.0	0.4	0.1	1.0
Services less energy services.....	59.675	328.641	337.197	337.967	2.9	0.2	0.2	0.3	0.3
Shelter.....	33.318	308.393	318.300	319.136	3.5	0.3	0.2	0.3	0.3
Rent of primary residence.....	7.931	319.351	330.648	331.605	3.8	0.3	0.2	0.4	0.3
Owners' equivalent rent of residences <sup>2</sup> .....	23.972	315.391	325.189	326.023	3.4	0.3	0.3	0.3	0.2
Medical care services.....	6.978	518.277	532.956	535.515	3.3	0.5	0.5	0.4	0.5
Physicians' services.....	1.711	380.404	382.702	383.047	0.7	0.1	0.1	0.1	0.2
Hospital services <sup>2</sup> .....	2.296	334.033	335.078	336.804	0.8	0.5	0.5	-0.1	0.5
Transportation services.....	5.940	322.842	326.667	325.105	0.7	-0.5	0.1	0.0	0.3
Motor vehicle maintenance and repair <sup>3</sup> .....	1.129	286.067	295.670	295.377	3.3	-0.1	-0.2	0.4	-0.1
Motor vehicle insurance.....	2.353	565.547	569.079	569.011	0.6	0.0	-0.4	0.3	0.3
Airline fares.....	0.738	264.994	283.001	268.314	1.3	-5.2	2.0	-0.9	2.3

<sup>1</sup> Not seasonally adjusted.

<sup>2</sup> Indexes on a December 1982=100 base.

<sup>3</sup> Indexes on a December 1996=100 base.



**RESTRICTED AND SENSITIVE BUSINESS INFORMATION - DO NOT DISCLOSE**

**DECISION OF THE GOVERNORS OF THE UNITED STATES POSTAL SERVICE ON THE ESTABLISHMENT OF PRICES AND CLASSIFICATIONS FOR DOMESTIC COMPETITIVE AGREEMENTS, OUTBOUND INTERNATIONAL COMPETITIVE AGREEMENTS, INBOUND INTERNATIONAL COMPETITIVE AGREEMENTS, AND OTHER NON-PUBLISHED COMPETITIVE RATES (GOVERNORS' DECISION NO. 19-1)**

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February 7, 2019

**STATEMENT OF EXPLANATION AND JUSTIFICATION**

Pursuant to our authority under section 3632 of title 39, as amended by the Postal Accountability and Enhancement Act of 2006 ("PAEA"), we establish new prices not of general applicability for certain of the Postal Service's competitive service offerings, and such changes in classification as are necessary to implement the new prices.

This decision establishes new prices for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates. Domestic Competitive Agreements consist of negotiated service agreements with Postal Service customers for domestic services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Outbound International Competitive Agreements consist of negotiated service agreements with Postal Service customers for outbound international services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Inbound International Competitive Agreements consist of negotiated service agreements with foreign postal operators or other entities for inbound international services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Other Non-Published Competitive Rates consist of rates not of general applicability that are not embodied in contractual instruments.

With respect to any product within the above categories, management is hereby authorized to prepare any necessary product description, including text for inclusion in the Mail Classification Schedule, and to make all necessary regulatory filings with the Postal

RESTRICTED AND SENSITIVE BUSINESS INFORMATION - DO NOT DISCLOSE

Regulatory Commission. [REDACTED]

[REDACTED]

The Postal Accountability and Enhancement Act (PAEA) requires that prices for competitive products must cover each product's attributable costs, not result in subsidization by market dominant products, and enable all competitive products to contribute an appropriate share to the Postal Service's institutional costs. For agreements subject to this Decision, there are hereby established prices that will enable each agreement to cover [REDACTED] [REDACTED] costs for the relevant product and that conform in all other respects to 39 U.S.C. §§ 3632-3633 and 39 C.F.R. §§ 3015.5 and 3015.7. As discussed in the accompanying management analysis, the Chief Financial Officer (or his delegate(s)) shall certify that all cost inputs have been correctly identified for prices subject to this Decision and that all prices subject to this Decision conform to this Decision and to the requirements of the PAEA.

No agreement, grouping of functionally equivalent agreements, or other classification authorized pursuant to this Decision may go into effect unless it is submitted to the Postal Regulatory Commission with a notice that complies with 39 U.S.C. § 3632(b)(3). On a semi-annual basis, management shall furnish the Governors with a report on all non-published rate and classification initiatives, as specified in the accompanying Management Analysis. Not less than once each year, the Governors shall review the basis for this Decision and make such further determination as they may deem necessary. This Decision does not affect postal management's obligation to furnish to the Board of Governors information regarding any significant new program, policy, major modification, or initiative, or any other matter under 39 C.F.R. § 3.7(d), including where such a matter also falls within the scope of this Decision.



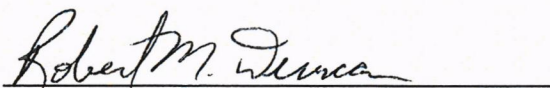
**RESTRICTED AND SENSITIVE BUSINESS INFORMATION - DO NOT DISCLOSE**

This Decision supersedes previous Governors' Decisions setting classifications and rates not of general applicability for competitive products; however, prices and classifications established under those Decisions may continue to be offered until the expiration of their terms, and contractual option periods and extension provisions that are included in the existing and future agreements can continue to be exercised.

**ORDER**

In accordance with the foregoing Decision of the Governors, the new prices and terms set forth herein for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates and the changes in classification necessary to implement those prices, are hereby approved and ordered into effect. An agreement or other nonpublished rate and classification initiative is authorized under this Decision only if the prices fall within this Decision and the certification process specified herein is followed. Prices and classification changes established pursuant to this Decision will take effect after filing with and completion of any necessary review by the Postal Regulatory Commission.

By The Governors:

A handwritten signature in cursive script, appearing to read "Robert M. Duncan", is written over a horizontal line.

Robert M. Duncan

Chairman, Board of Governors

**UNITED STATES POSTAL SERVICE  
OFFICE OF THE BOARD OF GOVERNORS**

**CERTIFICATION OF GOVERNORS' VOTE ON  
GOVERNORS' DECISION NO. 19-1**

Consistent with 39 USC 3632(a), I hereby certify that the following Governors voted in favor of Governors' Decision No. 19-1:

Robert M. Duncan  
David C. Williams



---

Michael J. Elston  
Secretary of the Board of Governors (A)

7 February 2019

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Date